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CURRENT MINNESOTA LABOR MARKET CONDITIONS

July 1986 Supplement to The Review of Labor and Economic Conditions

Prepared by Research & Statistics Office, MN Dept. of Jobs & Training, 390 N. Robert St., St. Paul, MN 55101, in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics, and Employment and Training Admin.

Nation

Even though some indicators of economic activity were favorable in June, most reports for June suggested that the Nation's economy had become weaker. Some of the weakness in June, however, was due to labor disputes.

Despite a drop in the unemployment rate, the labor market showed little overall strength in June. The seasonally adjusted unemployment rate fell 0.2 of a point to 7.1 percent in June, the same as in April. Although much of the 89,000 decline in seasonally adjusted nonfarm payroll employment was due to strikes, payroll employment would have risen by only 81,000 if the workers had not been on strike. The average gain in payroll employment during the first five months of the year was 207,000 per month. Excluding the striking workers, manufacturing employment fell for the fifth consecutive month in June. Employment in oil and gas extraction also fell further in June and has declined by 113,000 since January.

Other economic reports displayed a mixture of developments in June. While the consumption indicators (retail sales and personal consumption expenditures) continued to show strength in June, industrial production fell for the fifth straight month in June. Also, the preliminary estimate revealed that real gross national product rose by only 1.1 percent in the second quarter.

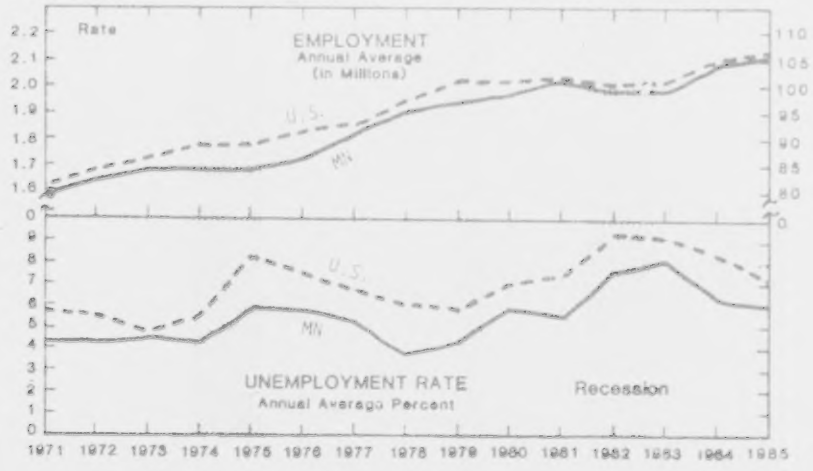
State

The Minnesota economy appeared to be quite healthy in June as the unemployment rate fell further and industry employment rose strongly for the second straight month. However, the durable goods manufacturing sector continued to show weakness.

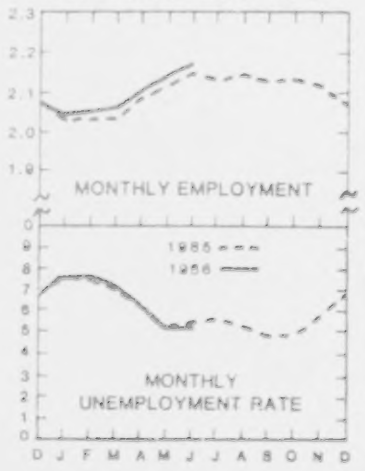
The State's seasonally adjusted unemployment rate fell for the fifth consecutive month in June, dropping to 5.2 percent and reaching its lowest level since August, 1981. Also, seasonally adjusted nonfarm payroll employment rose healthily again in June, by 4,879 after a gain of 5,332 in May. The increase would have been greater if there had not been a strike by 1,100 workers in the communications industry. However, much of the over-the-month rise in payroll employment was in the services-producing industries, especially in local government and business and health services. Although employment in durable goods manufacturing continued to decline, employment in the computer industry rose modestly for the second straight month after dropping for most of the past year. Over the year, payroll employment was up by 30,142. The largest over-the-year gains were in business and health services, state and local government, education and special trades construction.

Labor Force Estimates	MINNESOTA (Numbers in Thousands)			UNITED STATES (Numbers in Millions)		
	June 1986	Change From Last Mo.	Change From Year Ago	June 1986	Change From Last Mo.	Change From Year Ago
Civilian Labor Force	2,287.9	31.1	12.8	119.7	2.4	3.1
Employed	2,174.1	30.8	19.1	110.9	1.8	3.1
Unemployed	113.8	0.3	-6.3	8.8	0.6	0.0
Unemployment Rate						
Actual	5.0	0.0	-0.3	7.3	0.3	-0.2
Seasonally Adjusted	5.2	-0.2	-0.3	7.1	-0.2	-0.2

MN and the U.S., Employment & Unemployment Rate



MN, 1985 and 1986



Labor Market Conditions

MINNESOTA NONAGRICULTURAL WAGE & SALARY EMPLOYMENT, HOURS & EARNINGS

Industry	EMPLOYMENT[1] (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS[2]					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	June 1986	May 1986	June 1985	May 1986	June 1985	June 1986	June 1985	June 1986	June 1985	June 1986	June 1985
Total Nonagricultural	**1,921.0**	**1,907.1**	**1,891.0**	**0.7**	**1.6**	-	-	-	-	-	-
Manufacturing	**371.7**	**366.5**	**379.6**	**1.4**	**-2.1**	**415.13**	**403.20**	**10.25**	**10.08**	**40.5**	**40.0**
Durable Goods	219.3	218.2	227.9	0.5	-3.7	439.10	423.84	10.43	10.28	42.1	41.2
Lumber and Furniture	18.4	17.6	17.3	4.3	6.5	472.75	487.48	10.72	11.47	44.1	42.5
Stone, Clay and Glass	7.8	7.6	8.7	3.6	-10.1	451.77	383.39	10.58	10.39	42.7	36.9
Primary Metals	6.2	6.2	6.3	0.4	-2.0	370.96	425.65	9.07	9.48	40.9	44.9
Fabricated Metals	36.7	36.7	35.4	0.0	3.6	466.07	459.13	11.34	11.09	41.1	41.4
Nonelectrical Machinery	81.6	81.8	89.8	-0.3	-9.1	450.53	442.21	10.63	10.63	41.6	41.6
Office and Computing	41.8	41.8	47.5	0.2	-12.0	474.18	479.15	11.21	11.18	42.3	42.4
Electrical Machinery	27.1	27.0	28.6	0.2	-5.4	335.75	311.62	8.29	7.81	40.5	39.9
Transportation Equipment	7.5	7.5	7.9	0.2	-4.8	640.43	500.98	13.07	11.57	49.0	43.3
Scientific Instruments	28.2	28.1	28.2	0.4	0.0	411.45	407.95	9.75	9.95	42.2	40.9
Miscellaneous Manufacturing	5.8	5.8	5.7	1.4	2.9	397.52	353.23	9.42	9.46	42.2	37.3
Nondurable Goods	152.4	148.2	151.8	2.8	0.4	385.61	377.69	9.99	9.81	38.6	38.5
Food and Kindred	45.6	42.5	46.3	7.4	-1.5	343.00	321.64	8.75	8.42	39.2	38.2
Textiles and Apparel	4.5	4.4	5.0	1.9	-9.9	246.72	235.25	6.65	6.24	37.1	37.7
Paper and Allied	32.9	32.3	33.7	2.1	-2.2	509.29	502.47	12.04	11.74	42.3	42.8
Printing and Publishing	44.7	44.6	42.9	0.3	4.1	352.40	374.87	10.04	10.63	35.1	35.6
Chemicals and Petroleum	10.6	10.5	10.3	1.0	2.8	519.23	441.07	12.16	11.11	42.7	39.7
Rubber, Plastic and Leather	14.1	14.0	13.6	0.4	3.5	337.94	317.14	9.06	8.39	37.3	37.8
Nonmanufacturing	**1,549.3**	**1,540.7**	**1,511.4**	**0.6**	**2.5**	-	-	-	-	-	-
Mining	8.4	8.4	10.1	-0.4	-17.3	546.94	517.60	12.93	12.94	42.3	40.0
Metal Mining	6.0	6.3	7.8	-4.9	-23.6	585.86	549.05	14.61	13.90	40.1	39.5
Construction	82.1	75.5	77.7	8.8	5.7	572.82	564.66	14.66	15.11	39.1	37.7
Transport., Comm., & Pub. Util.	98.1	99.3	99.0	-1.2	-0.9	-	-	-	-	-	-
Transportation	65.9	66.2	64.3	-0.6	2.5	-	-	-	-	-	-
Trucking and Warehousing	26.8	26.3	26.9	1.9	-0.6	383.14	581.82	12.28	14.15	31.2	41.1
Communication and Public Util.	32.2	33.1	34.7	-2.6	-7.1	541.80	536.73	14.00	13.22	38.7	40.6
Trade	479.6	473.1	473.6	1.4	1.3	243.81	234.22	7.74	7.56	31.5	30.9
Wholesale	118.6	117.0	117.5	1.4	0.9	416.16	392.96	10.43	10.05	39.9	39.1
Retail	361.0	356.1	356.0	1.4	1.4	195.06	188.39	6.68	6.61	29.2	28.5
Building Materials	18.1	17.8	18.2	1.7	-0.9	340.28	323.94	8.77	8.49	38.8	38.1
General Merchandise	49.6	48.9	48.9	1.4	1.5	196.08	177.80	6.58	6.35	29.8	28.0
Food Stores	48.2	47.7	47.4	0.9	1.6	210.16	209.39	7.10	7.06	29.6	29.7
Automotive	40.6	40.2	39.0	1.0	3.9	368.87	356.06	9.41	9.37	39.2	38.0
Apparel	17.8	17.6	17.8	1.6	0.4	125.42	117.30	5.36	5.10	23.4	23.0
Home Furnishings	14.8	14.5	14.0	1.6	5.7	257.51	245.80	7.71	7.61	33.4	32.3
Eating and Drinking	125.0	122.9	124.0	1.7	0.8	109.35	107.55	4.50	4.50	24.3	23.9
Fin., Insur., Real Est.	116.4	115.1	111.6	1.1	4.4	-	-	-	-	-	-
Finance	54.5	53.9	52.0	1.1	4.8	-	-	-	-	-	-
Insurance	42.6	42.1	40.6	1.0	4.7						
Real Estate	19.4	19.1	19.0	1.6	2.3						
Services	451.7	449.5	436.4	0.5	3.5						
Personal Services	21.9	22.0	21.3	-0.4	3.1						
Business Services	82.7	81.4	78.2	1.6	5.2						
Repair Services	19.4	19.4	18.7	0.3	3.7						
Health Services	143.3	142.1	140.1	0.9	2.3						
Hospitals	49.9	49.6	50.0	0.6	-0.1						
Nursing Homes	40.8	40.5	40.4	0.6	1.1						
Legal Services	13.5	13.1	12.7	2.9	6.7						
Private Education	21.2	26.0	20.4	-18.4	3.7						
Government	312.9	319.7	303.1	-2.1	3.3						
Federal	33.6	33.3	32.5	0.8	3.2						
State	73.3	80.7	70.4	-9.2	4.0						
Education	37.2	45.0	34.3	-17.3	8.7						
Local	206.1	205.8	200.2	0.2	3.0						
Education	104.8	110.7	100.8	-5.4	3.9						

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full and part-time production or nonsupervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Selected Minnesota Program Statistics

Characteristics of the Insured Unemployed

Tables 1 and 2 provide data on persons who filed a claim for unemployment compensation in Minnesota during the month. Only those claiming benefits from the regular State program are represented since data on the characteristics of Federal employees and veterans are not available.

Total claimants for unemployment benefits fell by 2,818 or 7.8 percent in June. The June percent decrease was steeper than the eight year average decline of 6.5 percent between May and June. The largest over-the-month drop in both numerical and percentage terms was in construction where claimants fell by 2,303 or 37.3 percent. Claimants in manufacturing also fell substantially in June, by 1,128 or 8.9 percent. Over the year, total claimants rose by 972 or 3.0 percent. The total number of claimants have now exceeded their year earlier levels for nineteen consecutive months. Over the year gains in most industries were partially offset by a significant decline in manufacturing claimants.

Table 1. Distribution of Insured Unemployed, by Age and Sex, June 1986

Age Groups	Number	Percent Distributions		
		Men of Totals	Men of Men	Women of Women
TOTALS	33,241	60.5	100.0	100.0
Under 45	24,769	61.4	75.7	72.6
Under 25	4,372	61.7	13.4	12.7
25-34	12,196	62.6	38.0	34.7
35-44	8,201	59.6	24.3	25.2
45 and Over	8,472	57.6	24.3	27.4
45-54	4,757	56.9	13.5	15.6
55 and Over	3,715	58.4	10.8	11.8

TABLE 2. Distribution of Insured Unemployed by Industry and Occupation, June 1986

Industry and Occupational Attachment	Number	Percent of Total	Percent Long-Term1/ Unemployed	Women as Percent of Total
Total, All Industries	33,241	100.0	26.3	39.7
Ag., For., Fish.	298	0.9	27.0	35.6
Mining	406	1.2	36.0	7.0
Construction	3,865	11.6	26.2	5.8
Manufacturing	11,572	34.8	27.3	38.1
Public Utilities	1,529	4.6	31.7	28.6
Wholesale Trade	2,329	7.0	29.3	30.0
Retail Trade	4,237	12.7	31.2	46.7
Finance, Insurance, Real Estate	984	3.0	31.8	60.3
Services	7,096	21.4	19.4	60.9
Public Admin.	489	1.5	23.1	46.7
Info. Not Available	436	1.3	1.0	39.7
Total, All Occupations	33,241	100.0	26.3	39.7
Prof., Tech., Mgr.	6,819	20.5	25.2	43.6
Clerical	4,436	13.3	27.2	82.1
Sales	1,699	5.1	29.9	35.2
Services	2,425	7.3	23.3	66.0
Farm., For., Fish.	224	0.7	26.5	14.3
Processing	2,025	6.1	19.7	34.6
Machine Trades	2,249	6.8	27.9	17.1
Benchwork	3,842	11.5	28.6	62.1
Structural Work	5,177	15.6	25.5	2.6
Miscellaneous	4,188	12.6	26.0	21.6
Info. Not Available	157	0.5	30.8	38.5

1/ Long-Term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.

Job Service Applicant Supply and Demand

Table 3 compares Job Service (J.S.) job applicants with the J.S. job openings that existed at the end of the month. These comparisons are expressed as supply/demand ratios. Other things being equal, the greater the ratio of applicants to openings, the greater the competition has been for work within that occupational category. To put these ratios into context, the reader must remember that not only do job seekers and employers in general find jobs or recruit workers through other means, but those interested in certain kinds of jobs are particularly unlikely to use the J.S. For example, workers seeking professional and Managerial jobs are least likely to use the J.S., wehereas employers usually recruit construction workers through union halls and hire teachers directly. Thus, the main value of Table 3 is that it reflects, for broad occupational groups, the relative labor market conditions that those using the J.S. encountered when seeking work.

Table 3. Experienced Supply/Job Openings Demand

Occupation	Applicants (Supply) June 1986	Job Openings (Demand) June 1986	Supply/Demand Ratio	
			June 1986	June 1985
Total	111,496	12,236	9.1	8.4
Prof., Tech., Mgr.	12,899	1,325	9.7	7.3
Clericals	18,496	2,469	7.5	6.6
Sales	5,429	1,420	3.8	4.2
Domestic Services	2,591	213	12.2	12.0
Other Services	16,414	3,375	4.9	4.9
Farm., Fish., For.	8,012	195	41.1	27.8
Processing	2,222	638	3.5	2.0
Machine Trades	6,556	409	16.0	20.9
Benchwork	7,997	396	20.2	15.8
Structural Work	12,976	723	17.9	20.0
Mtr. Frght., Trans.	4,034	364	11.1	13.0
Pkg. & Mat. Hndlg.	12,864	642	20.0	22.6
Other	1,006	67	15.0	15.0

1/ Inexperienced and improperly coded job applicants are not included in this table.

Analysis of Local Conditions

MINNEAPOLIS-ST. PAUL MSA

by Bruce Steuernagel

The number of wage and salary jobs in the Twin Cities metropolitan area increased in June for the second consecutive month. After falling for most of the past 15 months, the number of manufacturing jobs increased in June. A big reason for this improvement is the stabilizing of employment in the nonelectrical machinery industry which includes the computer manufacturers. A second reason is some improvement in the job picture in nondurable goods manufacturing industries such as food products, paper products, printing, and chemicals. Employment in the paper and printing industries tend to respond early to an upturn in economic activity as the demand for packaging and shipping containers increases. Despite these recent developments, there are about 5,000 fewer manufacturing jobs this year than a year ago in the Twin Cities area. In addition, this area has lost manufacturing jobs in the past year at a faster rate than the national average--2.0 percent compared to 0.8 percent.

Other industries which also contributed to the brighter job picture were transportation, retail trade, and services. The large drop in the communication and public utilities industry reflects the labor dispute in the telephone industry. After adjustment for seasonal changes, employment in construction and finance, insurance, real estate was about unchanged in June as in May, while it was slightly lower in government.

The Twin Cities unemployment rate was unchanged from the 4.1 percent rate in May. For the first time since September 1985, the current unemployment rate was lower than the year ago figure. Employment grew at the usual rate but there was a much smaller than usual increase in the number of unemployed. The number of unemployed workers increased by only 1.2 percent between May and June contrasted to the 15.6 percent average increase of the past 16 years. The usual reason for the sharp increase in unemployment between May and June is the influx of students into the labor market following the end of the school year. The teenage labor force now comprises a smaller proportion of the total civilian labor force than it did in past years. This smaller relative size and the availability of jobs for teenagers has apparently resulted in only a small increase in unemployment this year.

LABOR FORCE ESTIMATES

AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	June 1986	May 1986	June 1985	June 1986	May 1986	June 1985	June 1986	May 1986	June 1985
Minneapolis-St. Paul MSA*	1,340,989	1,332,158	1,310,200	54,833	54,186	56,198	4.1	4.1	4.3
REGION 11	1,246,056	1,237,649	1,216,377	51,198	50,069	51,663	4.1	4.0	4.2
Anoka	127,460	126,670	124,110	5,296	5,247	5,511	4.2	4.1	4.4
Carver	23,466	23,275	22,994	810	765	909	3.5	3.3	4.0
Dakota	128,087	127,246	125,210	4,904	4,913	5,134	3.8	3.9	4.1
Hennepin	583,596	579,196	569,264	24,266	23,977	24,046	4.2	4.1	4.2
Ramsey	281,712	280,012	275,217	11,678	11,439	12,188	4.2	4.1	4.4
Scott	28,325	28,121	27,756	1,140	1,102	1,267	4.0	3.9	4.6
Washington	73,410	73,129	71,796	3,407	3,566	3,608	4.6	4.9	5.0
Chisago*	16,673	16,657	16,386	767	846	883	4.6	5.1	5.4
Isanti*	14,924	14,871	14,411	604	640	654	4.1	4.3	4.4
Wright*	37,219	37,109	36,418	1,475	1,562	1,675	4.0	4.3	4.3
St. Croix, WI	26,117	25,872	26,106	787	1,047	1,124	3.0	4.0	4.3
Bloomington	50,843	50,440	49,519	2,321	2,187	2,221	4.6	4.3	4.5
Minneapolis	216,671	215,024	211,396	9,992	9,604	9,932	4.6	4.5	4.7
St. Paul	160,836	159,973	157,467	7,470	7,541	7,970	4.6	4.7	5.1

* Chisago, Isanti and Wright counties are a part of the Minneapolis/St. Paul-MN-WI MSA, but are included in Region 7.

Analysis of Local Conditions

MPLS-ST. PAUL NONAGRICULTURAL WAGE & SALARY EMPLOYMENT, HOURS & EARNINGS

Industry	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	June 1986	May 1986	June 1985	May 1986	June 1985	June 1986	June 1985	June 1986	June 1985	June 1986	June 1985
Total Nonagricultural	1,246.9	1,237.8	1,222.1	0.7	2.0	-	-	-	-	-	-
Manufacturing	253.4	251.5	258.5	0.8	-2.0	450.32	437.13	10.93	10.82	41.2	40.3
Durable Goods	159.6	159.0	164.2	0.4	-2.8	462.51	447.73	10.96	10.82	42.2	41.4
Lumber and Furniture	8.8	8.3	7.7	6.6	15.0	519.49	540.64	11.57	12.40	44.9	43.5
Stone, Clay and Glass	2.9	2.9	3.1	1.3	-5.0	521.16	404.00	12.12	10.10	43.0	39.9
Primary Metals	4.8	4.9	4.9	-1.0	-1.4	366.33	428.26	8.87	9.31	41.3	45.9
Fabricated Metals	29.9	30.0	28.5	-0.4	4.9	493.85	479.83	11.90	11.59	41.5	41.4
Nonelectrical Machinery	63.7	63.7	69.8	0.0	-8.8	476.70	458.28	11.35	10.99	42.0	41.6
Office and Computing	32.5	32.5	37.3	0.1	-12.6	507.10	480.66	11.96	11.38	42.4	42.2
Electrical Machinery	15.7	15.7	17.1	0.1	-7.9	332.83	312.58	8.69	8.14	38.3	38.4
Transportation Equipment	4.5	4.5	4.3	0.0	5.6	694.40	642.18	14.00	13.84	49.6	46.4
Scientific Instruments	25.3	25.2	25.0	0.4	1.1	418.46	417.58	9.80	10.26	42.7	40.6
Miscellaneous Manufacturing	3.9	3.9	3.8	0.9	2.5	421.34	387.46	9.12	10.16	46.2	38.0
Nondurable Goods	93.8	92.5	94.3	1.4	-0.5	433.82	418.88	10.90	10.87	39.8	38.4
Food and Kindred	18.5	18.2	18.2	2.0	1.7	440.16	410.87	10.48	10.12	42.0	40.5
Textiles and Apparel	1.6	1.5	2.3	7.9	-30.4	256.31	253.20	6.36	6.33	40.3	40.0
Paper and Allied	25.5	25.2	26.1	1.2	-2.5	472.73	449.86	11.53	11.35	41.0	39.5
Printing and Publishing	30.7	30.3	30.4	1.4	1.0	392.52	417.81	10.58	11.51	37.1	36.2
Chemicals and Petroleum	6.9	6.7	6.6	1.5	3.4	665.07	478.67	13.02	12.18	43.4	39.2
Rubber, Plastic and Leather	8.6	8.6	8.7	0.4	-0.7	389.00	353.73	10.00	9.25	38.9	38.1
Nonmanufacturing	993.5	986.3	963.6	0.7	3.1	-	-	-	-	-	-
Mining	-	-	-	-	-	-	-	-	-	-	-
Metal Mining	-	-	-	-	-	-	-	-	-	-	-
Construction	51.0	48.3	49.0	5.5	4.0	623.91	597.80	16.29	16.07	38.3	37.2
Transport., Comm., & Pub. Util.	68.2	68.9	67.7	-1.1	0.7	-	-	-	-	-	-
Transportation	48.0	48.0	48.6	0.0	-1.3	-	-	-	-	-	-
Trucking and Warehousing	16.6	16.4	16.3	1.3	1.9	373.18	396.44	13.14	12.35	28.4	32.0
Communication and Public Util.	20.2	21.0	22.2	-3.6	-9.1	540.77	461.15	13.76	12.42	39.3	37.1
Trade	305.6	302.0	299.7	1.2	2.0	267.34	251.10	8.46	8.26	31.6	30.4
Wholesale	79.6	78.7	78.6	1.1	1.2	447.92	420.33	11.17	10.75	40.1	39.1
Retail	226.0	223.3	221.0	1.2	2.2	213.30	198.89	7.33	7.18	29.1	27.7
Building Materials	10.3	9.8	10.0	4.6	2.8	376.49	341.50	9.58	9.27	39.3	36.7
General Merchandise	36.2	35.8	35.0	0.9	3.3	211.19	189.56	6.97	6.76	30.3	28.0
Food Stores	27.3	27.0	26.8	1.3	1.9	282.91	248.00	8.42	8.34	33.6	29.6
Automotive	23.5	23.3	22.6	0.7	3.7	426.06	401.65	10.52	10.21	40.5	39.2
Apparel	11.7	11.5	11.7	1.3	0.2	118.85	108.79	5.58	5.05	21.3	21.4
Home Furnishings	10.7	10.5	9.6	1.4	11.6	226.95	253.66	7.54	8.12	30.1	31.2
Eating and Drinking	76.9	76.1	76.4	1.1	0.6	108.48	102.05	4.80	4.66	22.6	21.8
Fin., Insur., Real Est.	90.0	89.3	85.3	0.8	5.5	335.51	319.66	8.43	8.56	39.8	37.3
Finance	38.2	37.9	36.0	0.6	5.9	367.93	323.51	9.04	8.72	40.7	37.0
Insurance	35.4	35.2	34.0	0.7	4.3	330.48	366.43	8.10	9.06	40.8	40.4
Real Estate	16.4	16.2	15.3	0.9	7.2	222.22	218.30	7.01	6.93	31.7	31.5
Services	308.9	306.0	297.6	0.9	3.8						
Personal Services	16.0	16.1	14.7	-0.2	8.9						
Business Services	70.4	69.5	68.6	1.3	2.6						
Repair Services	14.7	14.7	14.1	-0.1	4.4						
Health Services	79.9	79.3	78.8	0.8	1.5						
Hospitals	29.4	29.3	29.5	0.4	-0.2						
Nursing Homes	21.8	21.6	21.6	0.9	0.9						
Legal Services	10.3	9.8	9.8	4.3	4.7						
Private Education	15.5	16.6	15.4	-6.7	0.6						
Government	170.0	171.7	164.3	-1.0	3.4						
Federal	19.6	19.6	18.7	0.4	4.9						
State	50.7	52.7	49.0	-3.9	3.3						
Education	27.6	29.6	25.3	-6.8	9.0						
Local	99.6	99.5	96.5	0.2	3.2						
Education	50.9	53.7	49.1	-5.1	3.9						

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full and part-time production or nonsupervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Analysis of Local Conditions

CENTRAL AND NORTHWEST MINNESOTA

LABOR FORCE ESTIMATES									
AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	June 1986	May 1986	June 1985	June 1986	May 1986	June 1985	June 1986	May 1986	June 1985
St. Cloud MSA	89,265	88,845	85,980	4,685	4,743	5,819	5.2	5.3	6.8
REGION 1	43,243	41,154	44,579	3,505	3,626	3,996	8.1	8.8	9.0
Kittson	2,865	2,814	3,148	237	277	302	8.3	9.8	9.6
Marshall	5,675	5,442	6,036	677	671	769	11.9	12.3	12.7
Norman	3,876	3,759	4,137	232	269	306	6.0	7.2	7.4
Pennington	6,474	6,267	6,304	466	496	467	7.2	7.9	7.4
Polk	15,133	14,563	15,645	1,291	1,279	1,433	8.5	8.8	9.2
Red Lake	2,057	2,045	2,103	283	311	261	13.8	15.2	12.4
Roseau	7,161	6,264	7,306	319	323	458	4.5	5.2	6.3
REGION 2	30,399	29,742	32,599	2,474	2,629	2,892	8.1	8.8	8.9
Beltrami	15,943	15,845	17,180	1,123	1,229	1,312	7.0	7.8	7.6
Clearwater	3,628	3,573	3,867	508	529	574	14.0	14.8	14.8
Hubbard	6,540	6,202	6,818	481	517	592	7.4	8.3	8.7
Lake of Woods	2,039	1,938	2,178	125	117	132	6.1	6.0	6.1
Mahnomen	2,249	2,184	2,556	237	237	282	10.5	10.9	11.0
REGION 4	102,077	99,848	102,819	5,770	5,773	6,303	5.7	5.8	6.1
Becker	13,492	12,920	13,191	1,059	1,115	1,176	7.8	8.6	8.9
Clay	26,984	27,426	26,394	1,246	1,226	1,279	4.6	4.5	4.8
Douglas	14,641	14,390	14,940	701	751	791	4.8	5.2	5.3
Grant	3,347	3,251	3,717	197	207	164	5.9	6.4	4.4
Otter Tail	26,088	24,827	26,543	1,738	1,626	1,988	6.7	6.5	7.5
Pope	5,255	5,032	5,489	306	295	295	5.8	5.9	5.4
Stevens	5,884	5,769	5,781	215	220	220	3.7	3.8	3.8
Traverse	2,622	2,486	2,796	111	120	125	4.2	4.8	4.5
Wilkin	3,764	3,747	3,968	197	209	265	5.2	5.6	6.7
REGION 5	59,922	57,718	62,741	4,166	4,383	4,770	7.0	7.6	7.5
Cass	9,644	9,256	10,673	840	913	934	8.7	9.9	8.8
Crow Wing	21,179	20,210	21,618	1,274	1,361	1,475	6.0	6.7	6.8
Morrison	13,664	13,318	14,421	963	986	1,193	7.1	7.4	8.3
Todd	10,583	10,229	11,032	709	770	745	6.7	7.5	6.8
Wadena	4,852	4,705	4,997	376	353	372	7.7	7.5	7.4
REGION 6E	55,459	53,075	56,380	3,309	3,522	3,363	6.0	6.6	6.0
Kandiyohi	18,156	17,664	18,936	913	1,056	1,038	5.0	5.9	5.4
McLeod	17,188	15,827	16,770	797	814	796	4.6	5.1	4.7
Meeker	10,070	9,806	9,609	871	893	667	8.6	9.1	6.9
Renville	10,046	9,788	11,065	726	765	892	7.2	7.8	8.1
REGION 7E	55,688	55,230	56,489	3,110	3,317	3,950	5.6	6.0	7.0
Chisago	16,673	16,657	16,386	767	848	882	4.6	5.1	5.4
Isanti	14,924	14,871	14,911	606	640	954	4.1	4.3	6.4
Kanabec	5,974	5,915	6,249	407	441	588	6.8	7.5	9.4
Mille Lacs	8,776	8,679	9,250	564	587	706	6.4	6.8	7.6
Pine	9,341	9,108	9,693	766	801	820	8.2	8.8	8.5
REGION 7W	126,484	125,954	122,398	6,160	6,325	7,394	4.9	5.0	6.0
Benton	13,804	13,695	13,335	760	725	973	5.5	5.3	7.3
Sherburne	17,226	17,128	16,600	1,087	1,081	1,205	6.3	6.3	7.3
Stearns	58,235	58,022	56,145	2,838	2,937	3,641	4.9	5.1	6.5
Wright	37,219	37,109	36,418	1,475	1,582	1,575	4.0	4.3	4.3

1/ Benton, Stearns, and Sherburne Counties

ST. CLOUD MSA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT					
INDUSTRY	EMPLOYMENT			PERCENT CHANGE	
	June 1986	May 1986	June 1985	Month Ago	Year Ago
Total Nonagricultural Wage & Salary	64,165	65,931	62,182	-2.7	3.2
Total Manufacturing	11,407	11,349	11,001	0.5	3.7
Durable Goods	6,210	6,208	6,446	0.0	-3.7
Nondurable Goods	5,197	5,141	4,555	1.1	14.1
Total Nonmanufacturing	52,758	54,582	51,181	-3.3	3.1
Construction	2,922	2,615	3,240	11.7	-9.8
Transp., Comm. & Pub. Util.	3,800	3,724	3,554	2.0	6.9
Wholesale Trade	3,295	3,254	3,123	1.3	5.5
Retail Trade	16,719	16,661	15,323	0.4	9.1
Finance, Insur. & Real Estate	2,267	2,258	2,186	0.4	3.7
Service & Miscellaneous	12,898	13,315	12,885	-3.1	0.1
Government	10,857	12,755	10,870	-14.9	-0.1

The St. Cloud Area

by Ron Daws

St. Cloud's June unemployment rate, at 5.2 percent was the lowest for that month since 1978 when it was 4.9 percent. Last year the rate was 6.8 percent, and a month ago (May) it was 5.3 percent. This brought the number of unemployed down from 5,819 a year ago, and 4,743 a month ago, to 4,685 in June, 1986.

The number of jobs, meanwhile, rose by 4,419 over the year to reach 84,580 (a record high), and rose by 478 over the month. The industry most responsible for the over-the-year employment gain was the large and prospering retail trade sector which added 1,396 jobs (9.1 percent). Nondurable goods, although much smaller, added 624 jobs for a 14.1 percent increase. Construction was the only over-the-year employment loser in dropping by 318 jobs, or by 9.8 percent.

Compared with May, nonagricultural employment has declined slightly. This was almost entirely due to the 14.9 percent, or 1,908 job drop in governmental educational employment when the school year ended. All other industry categories, with the exception of services & miscellaneous, added jobs. The seasonal construction increase of 11.7 percent was proportionately largest.

Analysis of Local Conditions

NORTHEAST MINNESOTA

By Mike Casey

Employment continued to expand during June, marking the fifth month in a row that total employment has surpassed the previous month's level. Estimates of unemployment improved in June, also for the fifth consecutive month. As a result of these improvements, 8.3 percent of the labor force throughout the seven-county area were unemployed in June. The good news in that this is the lowest rate for the region in nearly five years. Not since a 6.6 percent rate was recorded in September of 1981 has the employment situation appeared better.

The bad news, of course, is that an 8.3 percent rate could be considered "good news" in the first place. Unfortunately there is even worse news in the near future. By the time the August employment levels are available the mining industry will have begun to feel the effects of more mine closings with significantly higher numbers of workers laid off in an area from where many have already moved elsewhere because comparable employment opportunities are not available. Under the circumstances an 8.3 percent jobless rate may soon be upgraded from merely "good news" to "great news"!

LABOR FORCE ESTIMATES

AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	JUNE 1986	MAY 1986	JUNE 1985	JUNE 1986	MAY 1986	JUNE 1985	JUNE 1986	MAY 1986	JUNE 1985
REGION 3	133,972	133,428	136,439	11,094	11,860	11,710	8.3	8.9	8.6
Aitkin	5,296	5,213	5,862	530	609	679	10.0	11.7	11.6
Carlton	11,834	11,766	11,876	1,034	1,131	972	8.7	9.6	8.2
Cook	2,616	2,344	2,745	145	138	209	5.5	5.9	7.6
Itasca	17,368	17,118	17,762	1,766	1,863	1,781	10.2	10.9	10.0
Koochiching	7,905	7,766	8,592	651	696	1,077	8.2	8.9	12.5
Lake	4,190	4,119	4,346	426	466	474	10.2	11.3	10.9
St. Louis	85,261	85,702	85,499	6,540	6,957	6,570	7.7	8.1	7.6
City of Duluth	34,377	34,412	34,859	2,251	2,276	2,627	6.5	6.6	7.5
Balance St. Louis	50,884	51,290	50,640	4,289	4,681	3,893	8.4	9.1	7.7

DULUTH AND DULUTH-SUPERIOR MSA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT DULUTH			PERCENT CHANGE		EMPLOYMENT DULUTH-SUPERIOR			PERCENT CHANGE	
	June 1986	May 1986	June 1985	Mo. Ago	Yr. Ago	June 1986	May 1986	June 1985	Mo. Ago	Yr. Ago
Total Nonagricultural Wage & Salary	42,400	42,050	42,140	0.8	0.6	85,180	85,010	86,680	0.2	-1.7
Total Manufacturing	3,610	3,610	3,770	0.1	-4.2	6,940	6,870	7,130	1.1	-2.6
Durable Goods	1,670	1,690	1,800	-0.9	-7.4	3,840	3,790	4,130	1.2	-7.1
Nondurable Goods	1,940	1,920	1,960	1.0	-1.3	3,110	3,080	3,000	1.0	3.6
Total Nonmanufacturing	38,790	38,440	38,370	0.9	1.1	78,230	78,150	79,550	0.1	-1.7
Construction	1,370	1,070	1,300	28.2	5.8	3,020	2,600	3,090	16.4	-2.1
Trans., Comm., Pub. Util.	3,020	3,050	3,280	-0.8	-7.9	5,920	5,950	6,400	-0.5	-7.5
Wholesale Trade	1,750	1,720	1,800	1.7	-2.8	3,680	3,590	3,670	2.7	0.3
Retail Trade	9,150	9,020	9,140	1.3	0.1	18,260	17,970	18,620	1.6	-2.0
Finan., Insur., & Real Est.	1,800	1,760	1,760	2.3	2.3	3,140	3,070	3,040	2.5	3.6
Services, Mining, & Miscel.	11,780	11,870	11,430	-0.7	3.1	25,360	25,410	26,160	-0.1	-3.0
Government	9,910	9,950	9,660	-0.4	2.7	18,830	19,570	18,570	-3.8	1.4

Analysis of Local Conditions

SOUTHERN MINNESOTA

By Mike Casey

LABOR FORCE ESTIMATES

AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	JUNE 1986	MAY 1986	JUNE 1985	JUNE 1986	MAY 1986	JUNE 1985	JUNE 1986	MAY 1986	JUNE 1985
REGION 6W	**27,146**	**26,388**	**29,422**	**1,590**	**1,573**	**1,781**	**5.9**	**6.0**	**6.1**
Big Stone	3,594	3,488	3,834	180	183	213	5.0	5.3	5.6
Chippewa	6,730	6,609	7,407	402	433	474	6.0	6.6	6.4
Lac Qui Parle	4,621	4,649	5,058	233	229	249	4.8	4.9	4.9
Swift	5,569	5,485	6,303	462	440	537	8.3	8.0	8.5
Yellow Medicine	6,411	6,187	6,820	313	288	308	4.9	4.7	4.5
REGION 8	**67,018**	**65,050**	**71,247**	**3,480**	**3,410**	**4,109**	**5.2**	**5.2**	**5.8**
Cottonwood	6,446	6,390	6,986	413	373	622	6.4	5.8	8.9
Jackson	6,931	6,705	7,266	591	575	438	8.5	8.6	6.0
Lincoln	3,808	3,595	4,084	205	183	177	5.4	5.1	4.3
Lyon	13,745	13,353	13,979	636	604	654	4.6	4.5	4.7
Murray	5,250	5,007	5,715	266	282	336	5.1	5.6	5.9
Nobles	11,098	10,841	11,932	516	514	745	4.7	4.7	6.2
Pipestone	5,835	5,597	6,235	228	239	278	3.9	4.3	4.5
Redwood	8,948	8,692	9,749	439	444	640	4.9	5.1	6.6
Rock	4,965	4,764	5,331	182	196	219	3.7	4.1	4.1
REGION 9	**116,673**	**112,326**	**118,561**	**6,255**	**5,903**	**6,441**	**5.4**	**5.3**	**5.4**
Blue Earth	28,012	27,819	28,465	1,072	1,030	1,325	3.8	3.7	4.7
Brown	14,376	13,834	14,487	659	647	815	4.6	4.7	5.6
Faribault	10,042	9,320	9,670	649	621	504	6.4	6.7	5.1
Le Sueur	12,161	10,926	11,612	871	817	904	7.2	7.5	7.7
Martin	13,469	12,675	13,474	1,045	1,019	819	7.8	7.9	6.1
Nicollet	15,027	14,791	15,108	704	546	678	4.7	3.7	4.5
Sibley	7,760	7,319	7,902	496	494	540	6.4	6.7	6.8
Waseca	9,266	8,604	10,396	687	463	598	7.4	5.4	5.8
Watonwan	5,960	5,812	6,057	272	266	298	4.7	4.6	4.7
REGION 10	**223,772**	**219,210**	**225,079**	**11,706**	**11,100**	**11,816**	**5.2**	**5.1**	**5.2**
Dodge	8,300	8,020	8,418	495	507	550	6.0	6.3	6.5
Fillmore	21,358	10,903	11,963	719	641	765	6.7	5.9	6.4
Freeborn	17,445	17,091	17,742	1,020	861	974	5.8	5.0	5.5
Goodhue	20,946	20,368	20,669	915	972	1,186	4.4	4.5	5.7
Houston	9,810	9,389	10,167	510	440	502	5.2	5.2	4.9
Mower	20,462	19,840	20,620	1,627	1,300	977	8.0	6.6	4.7
Olmsted	68,388	67,566	68,390	2,134	2,060	2,326	3.6	3.5	4.0
Rice	26,630	26,013	26,404	1,453	1,447	1,593	5.5	5.6	6.0
Steele	15,819	15,460	15,711	853	908	846	5.4	5.9	5.4
Wabasha	9,464	8,992	9,811	582	562	638	6.1	6.3	6.5
Winona	25,844	25,531	25,171	1,402	1,384	1,489	5.5	5.4	5.9
ROCHESTER CITY	**35,515**	**35,021**	**35,525**	**1,527**	**1,472**	**1,652**	**4.3**	**4.2**	**4.7**

ROCHESTER MSA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT			PERCENT CHANGE	
	June 1986	May 1986	June 1985	Month Ago	Year Ago
Total Nonagricultural Wage & Salary	**55,860**	**55,150**	**55,900**	**1.3**	**-0.1**
Total Manufacturing	**10,680**	**10,640**	**11,520**	**0.3**	**-7.3**
Durable Goods	8,770	8,770	9,520	0.0	-7.9
Nondurable Goods	1,910	1,880	2,010	1.6	-4.7
Total Nonmanufacturing	**45,180**	**44,510**	**44,380**	**1.5**	**1.8**
Construction & Mining	2,210	1,920	2,150	15.0	2.8
Transp., Comm., & Public Util.	1,860	1,860	1,850	0.0	0.5
Wholesale Trade	1,200	1,200	1,260	0.0	-4.8
Retail Trade	9,940	9,760	10,200	1.8	-2.5
Finan., Insur., & Real Estate	1,540	1,530	1,520	0.6	1.3
Total Services	22,590	22,380	21,630	0.9	4.4
Health Services	15,660	15,490	14,840	1.0	5.5
Other Services	6,930	6,880	6,790	0.7	2.1
Government	5,830	5,860	5,770	-0.5	1.1

Seasonal factors expanded the labor force throughout southern Minnesota's four economic development regions over the month. Hiring activity during June improved the employment picture by nearly 10,600 additional jobs. Many of these newly created jobs are the result of employers having an expanded labor force to draw employees from, as most schools "expel" their students for the summer. Having placed their formal pursuit of education on hold many students move directly to the ranks of the employed.

Since many other students, however, do not have summer jobs already lined up, it is not surprising that many move directly into the ranks of the unemployed as well. This June was no exception as unemployment estimates increased by about 1,050 jobseekers, nearly five percent above the May level. Overall, unemployment increased at a faster rate than employment so the rate of unemployment edged upward, moving from 5.2 to 5.3 percent of the labor force.

During the first six months of this year, employment has averaged nearly 6,000 fewer jobs than for the same period in 1985. Unemployment estimates are averaging some 300 jobseekers above the year-ago levels. As a result, the rate of unemployment in southern Minnesota is slightly higher, at 7.0 percent), than the 6.8 percent rate recorded through June of last year.